

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 3231 - HB 3467

February 20, 2012

**SUMMARY OF BILL:** Increases the penalty, from a Class A misdemeanor to a Class D felony, for the first offense of knowingly producing, manufacturing, distributing, selling, offering for sale or possessing with intent to produce, manufacture, distribute, sell, or offering for sale any capsule, pill, or other product composed of or containing any amount of synthetic derivatives or analogues of methcathinone. Elevates a second or subsequent violation, or a violation involving a minor, to a Class C felony.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$175,300/Incarceration\***

Assumptions:

- The Department of Correction (DOC) estimates one additional Class D, rather than a Class A misdemeanor, and two additional Class C felony admissions as a result of this bill.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant incarceration cost increase will occur due to population growth in this period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one additional Class D and two additional Class C admissions.
- According to DOC, the average operating cost per offender per day for calendar year 2012 is \$61.36. The average post-conviction time served for a Class D felony is 1.86 years (679.37 days) at a cost of \$41,686.14 (\$61.36 x 679.37 days), and 2.98 years (1,088.45 days) at a cost of \$66,787.29 (\$61.36 x 1,088.45 days) for a Class C felony.
- The additional cost for two Class C felony admissions is \$133,574.58 (\$66,787.29 x 2 offenders).
- The total additional operating cost is \$175,260.72 (\$41,686.14 + \$133,574.58).
- Any increase in caseloads for state trial courts can be accommodated within existing resources without an increased appropriation or reduced reversion.

\*Tennessee Code Annotated, Section 9-4-210, requires that: *For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first and last names being more prominent than the middle initial.

Lucian D. Geise, Executive Director

/lsc